

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAELR STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

December 10, 2009

Kenneth Lowder Metamining of Utah 653 East 100 North Springville, Utah 84663

Subject: Permit to Commence Small Mining Activities, Black Magic Mine, S/023/0108, Juab

County, Utah

Dear Mr. Lowder:

The Division finds your Notice of Intention to Commence Small Mining Operations (Notice) complete and approves the reclamation surety for the Black Magic Mine S/023/0108 project. You are now permitted to conduct small mining activities as outlined in the Notice provided you have approval from all other appropriate agencies. The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Enclosed please find a copy of the reclamation contract and stamped approved Notice.

Please keep in mind the following regulatory requirements:

- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office, and State History of your find.
- Permit fees are due July 30
- Annual reports are due by January 31^{st.}



Page 2 Kenneth Lowder S/023/0108 December 10, 2009

The Division's web page at http://ogm.utah.gov under the Mining Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/023/0108. If you have questions or concerns regarding this letter, please contact me at 801-538-5320 or Wayne Western (lead) at 801-538-5263. Best wishes with your mining venture!

Sincerely,

Dana Dean, P.E.

Associate Director, Mining

DD:whw:pb

Enclosure: Copy of RC & surety forms

Copy of approved NOI Jerry Mansfield@BLM.gov

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Mining Mine Permit Number 5/023/0108 Mine Name Black Magic Mine Operator Metamining of utah uc Date Approved Dec 10 2009 CONFIDENTIAL BOND CLOSURE LARGE MAPS EXPANDABLE MULTIPUL DOCUMENT TRACKING SHEET NEW APPROVED NOI __AMENDMENT _OTHER____ Description YEAR-Record Number NOI _Incoming _Outgoing _Internal _Superceded Approved NOI 2009-12102009-0V-0001 Incoming __Outgoing __Internal __Superceded NOI MRRC and Surely 2009-0005 NOI Incoming Outgoing Internal Superceded __NOI __Incoming __Outgoing __Internal __Superceded COMMENTS: CC: _____

This page is a reference page used to track documents internally for the Division of Oil, Gas and